



# Department of Justice

United States Attorney McGregor W. Scott  
Eastern District of California

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## **IRS EMPLOYEE INDICTED ON TAX FRAUD SCHEME**

FRESNO, Calif.—United States Attorney McGregor W. Scott announced today the arrest of JESSE PEDRO HERNANDEZ, JR., 30, of Fresno, Calif. On July 31, 2008, a federal grand jury returned an 11-count indictment charging HERNANDEZ with tax fraud charges.

This case is the product of a joint investigation by the U.S. Treasury Inspector General for Tax Administration and the Internal Revenue Service Criminal Investigations Division.

According to Assistant United States Attorney Mark J. McKeon, who is prosecuting the case, HERNANDEZ was a Tax Examining Technician with the Internal Revenue Service in Fresno. HERNANDEZ assisted other taxpayers to obtain refunds they were not entitled to receive by falsely claiming money had been withheld from rollover distributions on Individual Retirement Accounts. In some cases, the request for a refund was supported by a fraudulent Form 1099-R created by HERNANDEZ. The total amount of refunds claimed by taxpayers that they were not entitled to receive was allegedly \$28,010.

If convicted of all counts, the maximum statutory penalty is 44 years in prison. The actual sentence, however, will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables and any applicable statutory sentencing factors.

The charges are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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